achieve positive net worth. Management Information System was not commensurate with the value of business of the company. The Turn-Around Plan of the company in respect of several performance parameters should be reviewed in the light of present working results.

Impact of slump in world economy on exports and stock markets of India

1582. SHRI BRATIN SENGUPTA: Will the Minister oif FINANCE be pleased to state:

(a) whether he has stated that banks and financial institutions would not crumble and the slump in the World economy had affected our financial institutions;

(b) whether the happenings in Japan and Europe had a direct impact on us and our exports have decreased and stock markets gone down; and

(c) if so, the details of the steps being taken in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The Finance Minister has stated repeatedly that it is very important for banks and financial institutions to continuously monitor the changing environment, both internal and external, and take action as appropriate, to ensure financial health. Both banks and financial institutions made positive net profit in 2000-01, and their financial health is expected to improve with econimic recovery. As developments in the real sector affect the financial sector, slump in the world economy has a bearing on the quality of assets of banks and financial institutions.

(b) As Japan, Western Europe and USA together account for almost half of the Indian exports, slowdown in these countries has had an impact on our exports. Exports in the first seven months of the current financial year have contracted by 2.88 per cent as compared to the corresponding period of the previous financial year. As regards the stock market, the recent uptrend in share prices witnessed abroad has also been witnessed in the Indian stock market.

(c) Several measures have recently been announced to boost exports which include reduction in interest rate on export credit, Increased duty drawback rate on about 300 export products, abolition of value caps on 400 export items, and announcement of special financial package for export of six products (pharmaceuticals, agro-chemicals, transport equipment, cement,

iron and steel, and electric machinery) which have high value addition and are internationally competitive.

Recovery of NPAs under compromise settlement scheme

1583. SHRI DIPANKAR MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has issued revised guidelines for the compromise settlement of chronic Non-Performing Assets during July, 2000;

(b) if so, what is the extent of recovery of NPAs under such guidelines; and

(c) what is the total amount of interest dues waived under the compromise settlement effected?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) Reserve Bank of India (RBI) has reported that as per the information available with it, public sector banks were able to recover Rs. 2600 crores covering 3.12 lakhs borrowal accounts as on September 30, 2001;

(c) RBI has reported that its data reporting system does not generate the information regarding the amount of interest dues waived under the compromise settlement scheme.

VRS schemes in nationalised banks

1584. SHRI CHO S. RAMASWAMY: Will the Minister of FINANCE be pleased to state:

(a) what is the total number of persons who have opted for VRS in each Nationalised Banks so far;

(b) what is the total outflow of funds on account of this VRS scheme in these banks;

(c) whether any further schemes are likely to be launched by the Nationalised Banks and if so, the highlights of the plans; and

(d) whether the reduction of man power has brought about any change for the better performance of the banks and if so the details thereof and if not, the reasons therefor?